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fub*

Chief, Technical Accounting Staff

18 June 1954

Chief, Finance Division

Proposed Procedure for Establishing and Maintaining
Suspended Leave Accounts

1. In accordance with your request, subject procedure has been reviewed by appropriate members of the Finance Division, and comments are furnished as follows:

a. Paragraph 1, apparently contemplates that the suspended leave account will be established only after authorization by the Assistant Director for Personnel.



b. Paragraph 2.e. provides for the transfer of suspended leave accumulations from one payroll office to another; however, since paragraph 2.f. indicates that individuals having suspended leave balances will be paid from unvouchered funds, such transfers apparently may occur only between the two payroll offices within Finance Division.

The requirement that employees having suspended leave balances continue to be paid from unvouchered funds appears to be contrary to the general policy and practice that employees transferred to Headquarters for departmental duty be assigned to slots paid from vouchered funds. In order for this provision of the procedure to be made effective and workable, it would appear necessary to provide unvouchered Headquarters slots purely for the purpose of maintaining persons with suspended leave accounts on unvouchered funds. In our opinion, such procedure is undesirable in that it will tend to lend confusion to an already complicated T/O situation, as well as increase the number of persons paid from unvouchered funds. In any event, if such has not already been accomplished, it would appear necessary that appropriate coordination with Management and Personnel must be arranged to assure that T/O and personnel actions on these persons are properly coordinated and not in conflict with this proposal.

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As an alternative, it is suggested that upon transfer to vouchered funds, employees having suspended leave balances be paid in cash for that portion of the total leave accumulation (regular plus suspended leave) as is in excess of the individual's maximum leave carry over at the close of the preceding leave year plus current year's net accumulation. It is recognized that this procedure would under normal circumstances, result in the payment of dual compensation in violation of applicable statutes; however, since the necessity for such payment may be attributed to the fact that the individual was precluded from availing himself of leave benefits granted by law for security and cover reasons, it would appear that such action could be considered a proper and necessary exercise of authority under *OWA* special legislation.

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Attachment

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